



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Enter into Contracts to Purchase Replacement Granular Activated Carbon for DBCP Treatment at City Drinking Water Wells for 2008 (\$247,800)

MEETING DATE: February 20, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to enter into contracts to purchase replacement granular activated carbon (GAC) for dibromochloropropane (DBCP) treatment at City drinking water wells for calendar year 2008.

BACKGROUND INFORMATION: The City operates GAC treatment systems for the removal of DBCP at six of the City's 26 drinking water wells. The operation and maintenance of these systems is paid for under the terms of the DBCP settlement with Shell, DOW, et al. The City's innovative operational strategies have extended the life of the GAC to approximately six years (although budgeted for, there were no GAC replacements required in 2006/07). The GAC at Wells No. 4R and 23 have been spent and need replacement. These wells are vital to Lodi's drinking water system. Forecasting exactly when GAC will have to be replaced is somewhat unpredictable, so there is a possibility that a third well will need GAC replacement before the summer peak usages.

Per Lodi Municipal Code §3.20.045, State and Local Agency Contracts, the bidding process may be waived when it is advantageous for the City, with appropriate approval by City Manager and City Council, to use contracts that have been awarded by other California public agencies, provided that their award was in compliance with their formally-adopted bidding or negotiation procedures. Calgon Carbon Corporation has extended an offer for the City of Lodi to participate in a contract with the City of Clovis. Calgon was the low bidder on virgin GAC in Clovis' formal bidding in September 2007. Calgon's F-300 GAC is U.S. mined and manufactured and is of the highest quality. The City of Lodi's experience with Calgon has found their work to be to the highest standards and their GAC lasted longer than other manufacturers' imported GAC. With increased energy costs, the cost of GAC has increased significantly. The Calgon price of \$1.18 per pound includes removal and certified destruction or reactivation of the spent GAC, delivery, and installation of the virgin GAC and start-up assistance.

City Well No. 4R's GAC system requires 90,000 pounds and Well No. 23 requires 60,000 pounds, making the cost of replacement \$106,200 and \$70,800 respectively. The possible third system would be an additional 60,000 pounds.

FISCAL IMPACT: The purchase of this superior material results in overall cost savings by extending the life of the GAC system by 16% and reducing the other related costs associated with GAC replacements. The cost savings from the contract with Clovis compared to current higher GAC prices saves an additional 5% to 10%.

FUNDING AVAILABLE: The \$247,800 is currently budgeted in the Water Utility Fund (180454).

Kirk Evans
Budget Manager

Richard C. Prima, Jr.
Public Works Director

Prepared by Frank Beeler, Water/Wastewater Superintendent
cc: F. Wally Sandelin, City Engineer/Deputy Public Works Director

Charles E. Swimley, Jr., Water Services Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE
CITY MANAGER TO ENTER INTO CONTRACTS TO PURCHASE
REPLACEMENT GRANULAR ACTIVATED CARBON FOR DBCP
TREATMENT AT CITY DRINKING WATER WELLS FOR 2008

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WHEREAS, the City operates and maintains granular activated carbon (GAC) treatment systems for dibromochloropropane (DBCP) removal at six of the City's 26 drinking water wells paid for under the terms of the DBCP settlement with Shell, DOW, et al; and

WHEREAS, the GAC at Wells No. 4R and 23 have been spent and need replacement at a cost of \$106,200 and \$70,800 respectively, and there is a possibility that a third well will need GAC replacement before the summer peak usages; and

WHEREAS, per Lodi Municipal Code §3.20.045, State and Local Agency Contracts, the bidding process may be waived when it is advantageous for the City, with appropriate approval by City Manager and City Council, to use contracts that have been awarded by other California public agencies, provided that their award was in compliance with their formally-adopted bidding or negotiation procedures; and

WHEREAS, Calgon Carbon Corporation has extended an offer for the City of Lodi to participate in a contract with the City of Clovis, as Calgon was the low bidder on virgin GAC in Clovis' formal bidding; and

WHEREAS, the City of Lodi's past experience with Calgon has found their work to be to the highest standards and their U.S.-mined GAC longer-lasting than other manufacturers' imported GAC.

NOW, THEREFORE, BE IT RESOLVED, by the Lodi City Council that the City Manager be authorized to enter into contracts with Calgon Carbon Corporation to purchase replacement granular activated carbon for DBCP treatment at City drinking water wells for calendar year 2008 as follows: Well No. 4R at \$106,200; Well No. 23 at \$70,800; and a possibility of a third well (No. 22) at a cost of \$70,800.

Dated: February 20, 2008

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I hereby certify that Resolution No. 2008-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 20, 2008, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2008-_____